



March 21, 2014

To: Executive Board

Subject: **Request to Issue RFP – Transit Services - Arcadia Facility  
(RFP No. 14-028)**

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### **Recommendation**

Authorize the Executive Director to:

1. Amend Agreement No. 12-002 with First Transit, Inc., to change the expiration date for the base contract term from June 30, 2016 to October 4, 2014; and
2. Issue a request for proposals (RFP No. 14-028) for transit operations and maintenance services at Foothill Transit's Arcadia facility.

### **Analysis**

First Transit, Inc. assumed operation of transit service at Foothill Transit's Arcadia facility on July 1, 2012 and currently provides operations and maintenance services under Agreement No. 12-002 for 145 buses operating out of that facility. The base term of the current Agreement is scheduled to expire on June 30, 2016 and there are three available two-year options beyond that date.

In the 20 months since assuming transit operations at Foothill Transit's Arcadia facility, First Transit has committed significant resources to providing the level of service stipulated in Agreement No. 12-002. First Transit's work and gradual improvement in service have been documented in regular written updates given to the Executive Board during regular Board meetings over the past year. However, in discussions between First Transit and Foothill Transit staff, both parties have determined that to address the current financial considerations, it is in Foothill Transit's and First Transit's best interest to amend existing Agreement No. 12-002 to change the expiration date for the base term of the Agreement to October 4, 2014. This amendment will allow for a complete and thorough new procurement for transit services to be conducted and for operations and maintenance services to be provided under a new contract with the successful proposer.

If authorized, several changes will be included in the new RFP and the Agreement for transit service. Key among these are:

- A change to the relative weighting of Technical and Price Scoring from 60 percent and 40 percent to 70 percent and 30 percent, respectively;
- Removal of the CPI cap on annual escalators so that the market can more fully determine competitive pricing of proposals;
- The inclusion of a forensic audit of price proposals to ensure that proposed pricing is reasonable and realistic;



- The inclusion in the Agreement of specific representations and warranties from the Contractor; and
- Other technical and conforming changes to the Agreement and updates to the Attachments.

Key dates in the proposed procurement timeline are as follows:

<u>Event</u>	<u>Date</u>
Issuance of RFP	Week of March 24, 2014
Initial Evaluation and Interviews	June 12 – June 30, 2014
Best and Final Offers due from Proposers	July 8, 2014
Contract award by Foothill Transit Executive Board and authorization to execute contract	July 25, 2014
Commencement Date	Sunday October 5, 2014

This schedule will provide time for execution of final contract documents and transition to the delivery of service under the new agreement.

**Budget Impact**

Funds will be programmed in the Fiscal Year 2015 and subsequent Business Plans and Budgets for operation of transit service at Foothill Transit's Arcadia facility.

Sincerely,

Kevin McDonald  
Deputy Executive Director

Doran J. Barnes  
Executive Director